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SUBJECT: GOSS FREEZES MINISTRY SALARIES IN ACCOUNTABILITY MOVE

11. (SBU) SUMMARY: The Government of Southern Sudan's three-month old salary freeze levied against civil service employees of the Ministry of Legal Affairs has been indefinitely extended pending turnover of documents clarifying who authorized the multi-year payroll excesses. While the Legal Affairs Minister has consistently defended his staff's right to receive pay commensurate with their education and on par with their ministerial counterparts within the Government of National Unity, a recently concluded investigation by the Ministry of Labor has revealed that senior officials within MOLA receive monthly salaries that averaged eight times greater than their GOSS colleagues elsewhere in the civil service. Specialized allowances outpaced those awarded in Khartoum by a scale greater than 5:1. The Minister's involvement in the pay scandal remains unclear: payroll is handled at the Undersecretary or Director General-level in most ministries, and Labor's report demonstrated that the Minister himself receives only the fourth highest salary in the ministry. However, the controversy does provide one of the South's foremost attorneys with a significant distraction as the Government of Southern Sudan prepares for forthcoming Abyei arbitration, continued wrangling over the details of the 2009 elections, and the demarcation of the North/South border. END SUMMARY.

12. (SBU) The Southern Sudan Legislative Assembly awarded Minister for Labor, Public Service, and Human Resources Development Awut Deng Acuil its first-ever standing ovation on August 13 following three-hours of detailed testimony on the state of the GOSS civil service. Payroll and operating costs continue to make up about 80% of the GOSS yearly budget expenditures. Deng's ministry has just concluded an eight-month investigation into pay scales and employment rosters, eliminating approximately one million thirty seven ghost workers from the rolls and saving the GOSS a still-to-be calculated but sizeable amount in operating expenses (septel). Deng told ConGen PolOff at the margins of her testimony that her presentation on right-sizing the GOSS civil service payroll was long-planned. However, she allowed that specific revelations about the Ministry of Legal Affairs were driven by a formal request by Maridi MP Peter Bashir Gbendi (SPLM), one of the Assembly's most vocal critics of government corruption, and a leading figure within the SPLM's now-defunct Interim National Council. Gbendi is also in the midst of a personal feud with Legal Affairs Minister Michael Makuei, angered by what he derided to ConGen PolOff as Makuei's "overly timid approach" to corruption allegations tied to the GOSS Presidency. (COMMENT: Gbendi's overly-specific request for information on MOLA, despite the Ministry of Labor's frank admission that a majority of GOSS ministries suffer from "payroll excesses," appears to be another vehicle by which to indirectly pressure Makeui to move forward on outstanding corruption investigations such as the 2006/2007 Al Cardinal procurement scandal. END COMMENT.)

13. (SBU) Makuei is familiar with such criticism from Gbendi and others, but countered to ConGen PolOff that "one needs to understand the language of your boss." According to the Minister of Legal Affairs, Kiir continues to actively signal that he will permit

corruption investigations focused on presidential staffers to be taken "only so far." Reached the afternoon of Deng's testimony, the minister maintained that his hands are tied and furthering the Al Cardinal investigation remains a short-term impossibility. Personal feuds between Gbendi and Makuei aside, the evidence compiled by the Labor Ministry's "Pay Sheets Review Committee Taskforce" has presented Makuei with a sizeable scandal. Not only is the Minister now faced with responding to an incensed SSLA (and by all accounts, GOSS Council of Ministers), but also he must curb a downward trend in productivity motivated by the three-month old salary freeze that has been imposed upon his staff. Laws continue to bottleneck at MOLA - some twenty-six pieces of legislation are awaiting transmittal to the SSLA, held hostage by disgruntled but equally over-worked attorneys.

14. (SBU) While Makuei has long-argued that his staff deserve pay commensurate with their education and on par with their counterparts within the GNU Ministry of Justice, the figures unearthed by Deng defy rationalization. With Makuei absent from the chamber, Deng effortlessly struck down arguments for "MOLA exceptionalism." Deng reminded an incredulous SSLA that MOLA's salary expenditures exceeded already approved "specialized rates and incentives" for the ministry. The Assembly approved a salary supplemental in late 2006 for MOLA's advanced degree holders which adjusted their pay scales into a range per month of 2,205 SDG for Grade 5 officials and 8,850 SDG for the undersecretary.

15. (SBU) However, Deng's investigation found that MOLA staff receive salaries that far exceed the Assembly's past generosity. Makuei's Undersecretary actually receives a monthly salary of 18,640 SDG versus the standardized GOSS-approved pay scale for undersecretaries of 2,500 SDG. Senior Counsels earn a monthly salary of 15,550 SDG

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against similarly ranked GOSS civil servants earning only 2,375 SDG. MOLA civil servants in pay grades 3, 4, and 5 receive 10,650 SDG, 6,400 SDG, and 4,230 SDG monthly, against the GOSS-approved budget for those ranks of 2,251 SDG, 1,959 SDG, and 1,701 respectively. A non-degree holding clerical secretary at MOLA makes more money than a university degree-holding civil servant at other ministries hired on with a minimum of two years prior work experience.

16. (SBU) Despite such revelations, Deng maintained that the majority of MOLA employees deserved to continue to receive tailored salaries and allotments. "I have no quarrel with the sentiment that our best minds must be compensated for what they sacrifice when they choose to work in the South rather than Khartoum," and she encouraged the SSLA to continue the trend. However, in addition to the Ministry's inability to explain how three civil servants receive higher salaries than the Minister himself, no paper trail could found to justify how MOLA attorneys receive allowances out of sync with their Khartoum counterparts. While Deng agreed that adjustments must be made for the cost of living in Juba, the allowance ceiling for Ministry of Justice officials in Khartoum was 3,900 SDG/month, whereas MOLA advisers earned 16,640 SDG/month. This figure included a base allowance five times greater than that received in Khartoum, and an unspecified "nature of work" allowance that totaled 4,120 SDG per month.

17. (SBU) During oral testimony before the SSLA laced with sarcasm, Labor Minister Deng painted a picture of a rogue Legal Affairs Ministry unaccountable to neither her ministerial directives nor the Assembly's budget ceilings. While much of Deng's testimony revealed her own ministry's inability patrol ministerial excesses elsewhere in the executive branch, MOLA's actions were portrayed as the most egregious. "While my Ministry's motto is "services without fear or favor," she noted, "I am embarrassed to admit this standard appears not to be met across all sectors."

18. (SBU) "Beyond explanations of outright tribalism, nepotism, or favoritism," she continued, "I cannot explain why Legal Affairs is allowed to operate without an appropriately itemized payroll, why unqualified candidates merit specialized training, or why they have been permitted to shun direct requests for information from both my ministry and that of the Ministry of Finance."

¶9. (SBU) Moreover, the Labor Minister pointedly noted to the Assembly that the Ministry of Legal Affairs had appeared to abandon appropriate levels of accountability or any semblance of a paper-trail when unknown staff members authorized pay clerks to exceed the pay roll budget for both the 2006 and 2007 fiscal years. Decisions to eschew standing labor practices remain equally unjustified.

Of twenty-two MOLA staff pursuing donor-funded degree programs overseas, the Ministry of Labor had deemed eight staff members "technically unqualified" to receive the training, one of the grounds that the employee - as a MOLA staffer -- is pursuing a degree in medicine. Despite disqualification by the GOSS and the mismatched degree, MOLA continues to pay their salary - this on top of full living and educational stipends received by each of the students.

¶10. (SBU) COMMENT: Makeui has refuted aspects of Deng's charges in the media, and has committed to an appearance before the Assembly the week of August 25. While the Minister's desire to salvage his previously spotless reputation may drive him to take action and turnover a now three-month old request for a paper trail, swift rectification of the payroll is unlikely. Makuei's ire at Gbendi and others within the Assembly for formulating such a public castigation without giving him a chance for a contemporaneous response may simply play to his well-known stubborn streak, and further exacerbate strained MOLA/SSLA relations during an all-too critical period. Makuei's own standing has suffered likely at the hands of malfeasance by his undersecretary, a damning airing of GOSS "dirty laundry" all the more likely to be seized upon by the NCP during the upcoming campaign season and intra-GNU discussions on CPA implementation more generally.

ASQUINO